Legal Structure and Governance

Tyāga / Christopher Cannon Music (CCM) / Christopher Cannon Art (CCA)

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Tyāga, along with Christopher Cannon Music (CCM) and Christopher Cannon Art (CCA), is structured as a Limited Liability Company (LLC). An LLC is an appropriate legal structure for a creative and technology-oriented business because it provides liability protection for the owner while maintaining operational flexibility. This structure separates personal assets from business liabilities, reducing risk while allowing the business to pursue innovative activities in music, digital art, and Web3 technology (Small Business Administration [SBA], 2023).

The LLC structure also allows for pass-through taxation, meaning business profits and losses are reported on the owner's personal tax return rather than being taxed at the corporate level. This is especially beneficial during the early stages of development, when revenue may fluctuate and profits are often reinvested to support growth. Additionally, the LLC structure enables future scalability, including the use of contractors, collaborators, or strategic partnerships without requiring changes to ownership or corporate form.

Ownership of Tyāga is currently held entirely by the founder, making it a single-member LLC. This ownership model ensures that creative and strategic decisions remain aligned with the founder's vision while the business establishes its market presence. Although Tyāga utilizes a blockchain-based utility token for community engagement and access to digital experiences, token holders do not possess equity, ownership rights, or legal governance authority within the company. The token is strictly utility-based and does not represent financial or ownership claims.

Governance within Tyāga is centralized under the founder. At this stage, centralized governance supports agility, rapid decision-making, and accountability. Strategic planning, financial oversight, creative direction, and operational decisions are managed directly by the founder. As the business grows, governance may evolve to include advisory roles, project-specific

leadership teams, and structured community feedback mechanisms. These additions would support transparency and collaboration while preserving legal authority and responsibility.

Management responsibilities are currently handled by the founder, who oversees executive leadership, creative production, business development, financial management, and intellectual property protection. As the business expands, contractors or employees may be engaged to support marketing, technology development, and administrative functions. These relationships will be governed through formal contracts that clearly define responsibilities, compensation, and ownership of work products.

Legal and regulatory considerations are central to Tyāga's governance strategy. Intellectual property protection is critical to safeguarding original music, artwork, and digital assets. Additionally, the use of blockchain technology and digital tokens requires careful compliance with evolving regulatory standards. By structuring the token as a utility rather than an investment instrument, Tyāga reduces exposure to securities regulation risks while maintaining transparency and ethical business practices.

Overall, the LLC legal structure and centralized governance model align with Tyāga's bootstrapped growth strategy. This framework minimizes risk, preserves creative control, and supports disciplined expansion while allowing the business to adapt to new opportunities within the creative and digital economy.

References

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